



State of Idaho
Legislative Services Office

Management Report

A communication to the Joint Finance-Appropriations Committee

DIVISION OF PROFESSIONAL-
TECHNICAL EDUCATION

FY 2007, 2008, and 2009

Report IC50309
Date Issued: June 11, 2010

Serving Idaho's Citizen Legislature



Don H. Berg, Manager
Audits Division

Idaho Legislative Services Office
Legislative Audits Division

**DIVISION OF PROFESSIONAL-
TECHNICAL EDUCATION**

SUMMARY

PURPOSE OF MANAGEMENT REVIEW

We conducted a management review of the Division of Professional-Technical Education covering the fiscal years ended June 30, 2007, 2008, and 2009. Our review covered general administrative procedures and accounting controls to determine that activities are properly recorded and reported.

The intent of this review was not to express an opinion, but to provide general assurance on internal controls and to raise the awareness of management and others of any conditions and control weaknesses that may exist and offer recommendations for improvement.

CONCLUSION

We did not identify any significant conditions or weaknesses in the programs reviewed.

FINDINGS AND RECOMMENDATIONS

There are no findings and recommendations in this report. or in the prior report.

A copy of this report is available at <http://www.legislature.idaho.gov/audit> or by calling 208-334-4832.

AGENCY RESPONSE

FINANCIAL INFORMATION

The following financial data is for informational purposes only.

DIVISION OF PROFESSIONAL-TECHNICAL EDUCATION – FISCAL YEAR 2009

Fund	Beginning Cash/ Appropriation	Receipts/ Transfers In	Expenditures/ Transfers Out	Ending Cash/ Appropriation
0001 General Fund (1)	\$59,574,119	\$0	\$52,624,145	\$6,949,974
0218 Displaced Homemaker Account	189,724	159,085	212,532	136,277
0274 Hazardous Material/Waste Transport (2)	64,827	67,800	90,033	42,594
0348 Federal Grant (3)	0	8,423,063	8,425,108	(2,045)
0349 Miscellaneous Revenue	0	274,982	171,917	103,065
0401 Seminars and Publications	0	120,853	61,126	59,727
0492 Student Tuition Recovery Acct	0	6,849	0	6,849
Total	\$59,828,670	\$9,052,632	\$61,584,861	\$7,349,888

(1) \$7,045,708 of the beginning balance and \$6,921,967 of the ending balance is encumbered.

(2) \$64,827 of the beginning balance and \$42,594 of the ending balance is encumbered.

(3) Beg Encumbrance = \$4,268,045, end encumbrance = \$5,722,918, and the fund can have a negative cash balance because of a \$1,700,000 borrowing limit.

This report is intended solely for the information and use of the State of Idaho and the Division of Professional-Technical Education and is not intended to be used by anyone other than these specified parties.

We appreciate the cooperation and assistance given to us by the administrator, Ann Stephens, and her staff.

ASSIGNED STAFF

Chris Farnsworth, CPA, Managing Auditor

James Combo, CPA, In-Charge Auditor

Mark Schoenfeld, Staff Auditor

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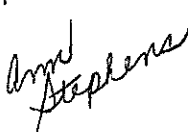
AGENCY RESPONSE

M E M O R A N D U M

DATE: May 10, 2010

TO: Don H. Berg, CGFM, Manager
Legislative Audits Division

FROM: Ann Stephens, Administrator



SUBJECT: FY2007, 2008 and 2009 Management Report

On behalf of the State Board for Professional-Technical Education, I am pleased to accept the Management Report – Division of Professional-Technical Education – Report IC50309 for the Fiscal Years ending June 30, 2007, 2008 and 2009 for the Division of Professional-Technical Education.

The courtesy, cooperation and professionalism displayed by the staff of the Legislative Services Office in the preparation of this report are appreciated.

AS:KD:jc

APPENDIX

HISTORY

The Smith-Hughes Act of 1917 was enacted by Congress to provide for the promotion of professional-technical education; cooperation with states in promoting education in agriculture, trades, and industries; cooperation with states in preparing teachers of professional-technical subjects; and appropriating money and regulating its expenditures. In 1919, the Idaho legislature enacted Idaho Code, Title 33, Chapter 22, Vocational Education – Federal Aid to accept the benefits and provisions of the Smith-Hughes Act of 1917, establish the State Board for Vocational Education, and designate a State Administrator to carry out the provisions of the federal act and State law.

In 1999, the Idaho Legislature passed legislation, effective July 1, 1999, changing the name of the State Board for Vocational Education to the State Board for Professional-Technical Education, and changing the name of the Division of Vocational Education to the Division of Professional-Technical Education.

PURPOSE

The Division of Professional-Technical Education provides advocacy, leadership, and technical assistance for programs in professional-technical education throughout the State. The Division's general purpose is to carry out the governing policies of the State Board for Professional-Technical Education and the applicable provisions of State and federal legislation.

STATUTORY AUTHORITY

Statutory authority for the Division is delineated in Idaho Code, Chapter 22, Sections 33-2201 through 33-2212. Idaho Code, Section 39-5009 established the Displaced Homemaker Account for appropriation to the State Board for Professional-Technical Education. The Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1998, P.L. 105-332, amended federal professional-technical education legislation and established regulations regarding the administration of these funds.

FUNDING

The Division receives funds from both the State General Fund and the federal government. Other funding sources include dedicated funds for displaced homemakers and hazardous materials. The following briefly describes each fund:

0001 General Fund – Funds are received from the State's General Fund and used to fund programs and services administered by the Division.

0218 Displaced Homemaker Fund – This fund receives \$20 from the filing fee for each divorce action. The funds are used to operate displaced homemaker centers at the six post-secondary technical colleges to provide classroom occupational training and related supportive services for displaced homemakers.

0274 Hazardous Materials/Waste Enforcement Fund – This fund receives a portion of the fees for the issuance of hazardous waste/material transportation permits. Money in the fund is used to train enforcement personnel on the laws and rules related to the transportation of hazardous material and waste.

0348 Federal Grant Fund – This fund receives funding from the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1998 and miscellaneous federal grants. These funds are used to improve existing professional-technical education programs.

0349 Miscellaneous Revenue Fund – This fund receives non-federal grants from the Albertsons Foundation and State Occupational Information Coordinating Council user fees.

0401 Seminars and Publications – All receipts in this fund are from fees charged to other State agencies to register employees for classes in the Certified Public Manager program. The Idaho Certified Public Manager program is a nationally accredited training and development program for public sector managers and supervisors. Funds are used to cover program expenses, such as conference room rentals for classes, speaker fees for instructors, and class materials.

0492-01 Student Tuition Recovery Account – This fund received contributions from post-secondary proprietary school registrations based on a formula in Idaho Code, Section 33-2408. These funds were used to assist in the recovery of tuition students paid to a school that closed before the students received the complete education program. Ten percent (10%) per fiscal year was used for administration of the fund (§33-2408). In the 2009 regular legislative session, Idaho Code, Section 33-2408 was repealed, and post-secondary proprietary schools were required to purchase their own surety bond as a condition of registration. After fiscal year 2009, this fund is no longer used.

ORGANIZATION

The State Board of Education is statutorily designated under Idaho Code, Title 33, Chapter 2205 as the State Board for Professional-Technical Education. Pursuant to Idaho Code, Title 33, Chapter 2205, the Board of Education appoints an Administrator of the Division, who designates assistants to carry out State and federal laws, board policy, provide overall leadership and supervision, and dispense funds for professional-technical education. The Division's organization chart is included as the final page of this report.

IDAHO DIVISION OF PROFESSIONAL-TECHNICAL EDUCATION ORGANIZATIONAL CHART

